ENGINEERING & COMPLIANCE

APPLICATION PROCESSING AND CALCULATIONS

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ALTERATION NON-OPERATIONAL STATUS-PC/PO

COMPANY NAME AND ADDRESS:

BLACK HILLS ONTARIO, LLC 905 East California Street Ontario, CA 91761

EQUIPMENT LOCATION:

905 East California Street Ontario, CA 91761 SCAQMD ID# 113240

EQUIPMENT DESCRIPTION:

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS The operator shall comply with the terms and conditions set forth below:

Process 1: INTERNAL COMBUSTION					
System 1: COGENERATION SYSTEM 1					
Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions And Requirements	Conditions
GAS TURBINE, NO.1, NATURAL GAS, DETROIT DIESEL ALLISON, MODEL 501-KH, WITH STEAM OR WATER INJECTION, 51.1 MMBTU/HR A/N 481026 GENERATOR, 6.054 MW BOILER, DELTAK CORPORATION, 60,000 LB/HR, WASTEHEAT, UNFIRED	DI	D2	NOX: MAJOR SOURCE	(See Facility Permit for details)	A63.1, A63.2, A327.1, E17.1, E51.1 E 313 E315
60,000 LB/HR, WASTEHEAT,					

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Change of Condition to Non-operational Status of: Co-Generation Facility Consisting Of:

System 1: Cogeneration System 1
 D1 - Gas Turbine # 1, Detroit Diesel, Model 502-KH, 51.1 MMBTU/hr,
 Natural Gas, With Steam or Water Injection

Generator, 6.054 MW Boiler, Deltak Corportion Waste Heat Recovery, Unfired, 60,000 pounds per hour Heater, 21,780 lbs/hr

- 2. D2 Burner, Natural Gas, 40 MMBtu/hr, Unfired, (Connected to D1 S3)
- 3. S3 Stack, Gas Turbine No.1(Connected to D2)

D1, [A/N 330846, F9927] D1, S3 [A/N 330846, F9927]

BACKGROUND:

This facility has two identical gas turbines and they are used as part of a cogeneration system. Each turbine is considered as a Major NOx source and the facility is part of Title V.

The primary purpose for operating is to provide steam and electricity to an adjacent Sunkist processing plant, with additional electricity being sold Southern California Edison. Since early December, 2007, the facility has not operated due to the shutdown of the Sunkist facility. Without Sunkist as a steam purchaser, or a "staem host", Black Hills Ontario as a "Qualifying Facility" is not permitted to operate under the Federal Energy Regulatory Commission regulations.

According to the applicant, it is highly unlikely that Black Hills Ontario cogeneration facility will ever operate again. However, at this time, Black Hills will like to retain its Facility Permit-to-Operate capability. The applicant is thus requesting the redesignation of the two gas turbine units as "Non-Operated Major

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NOx sources. This application applies to A/N 480126, D1, Gas Turbine # 1, previous application 330846.

If the redesignation is granted, the turbines are rendered inoperable and it will be no longer necessary to operate and maintain the two dedicated CEMS.

The following are the application as a package that will be processed:

Application	Description	Remarks
480125	Non-Operated Major	Gas Turbine #2, D4
	NOx Source application	Previous application 330845, F9926
480126	Non-Operated Major NOx	Gas Turbine #1, D1
	Source application	Previous application 330846, F9927
480127	Title V revision application	Revision/modification application for the
		Title V permit.

RECOMMENDATION:

Two conditions (313 and 315) were added to the Facility Permit to reflect this non-operational status that will apply to devices **D1** and D4 and the conditions tagged with **Rule 2012**, **12-7-1995**; Rule 2012, 4-9-1999.

1. Condition 313:

This device is classified as a non-operated major NOx source as defined under Rule 2012 and shall not be operated unless the Facility Permit holder provides written notification to the Executive Officer 30 days prior to starting operation. In order to maintain the non-operational classification, the Facility Permit holder shall:

- (a) Remove a section of the fuel feed line(s) to the device and place a blind flange on both ends of the fuel feed line(s); and
- (b) Remove the steam line(s) to California Milk Producers facility and place a blind flange on both ends of the steam line(s).

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Removal of parts or components solely to qualify the device for non-operated classification pursuant to this condition, or replacement of the same removed parts or components resulting in the device no longer being classified as non-operated shall not be deemed to affect the potential to emit within the meanings of Rule 2005, Regulation XIII and Regulation XXX.

2. Condition 315:

Once this device is operated, it shall no longer be classified as non-operational. This device shall also meet the monitoring requirements of Rule 2012, subparagraph (c)(2)(A) or (c)(2)(B) no later than 30 calendar days after the start of operation except as provided in Rule 2012, paragraph (c)(10).

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ALTERATION NON-OPERATIONAL STATUS-PC/PO

COMPANY NAME AND ADDRESS:

BLACK HILLS ONTARIO, LLC 905 East California Street Ontario, CA 91761

EQUIPMENT LOCATION:

905 East California Street Ontario, CA 91761 SCAQMD ID# 113240

EQUIPMENT DESCRIPTION:

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS The operator shall comply with the terms and conditions set forth below:

Process 1: INTERNAL COMBUSTION					
System 2: COGENERATION	System 2: COGENERATION SYSTEM 2				
Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions And Requirements	Conditions
GAS TURBINE, NO.2, NATURAL GAS, DETROIT DIESEL ALLISON, MODEL 501-KH, WITH STEAM OR WATER INJECTION, 51.1 MMBTU/HR A/N 481025 GENERATOR, 6.054 MW BOILER, DELTAK CORPORATION, 60,000 LB/HR, WASTEHEAT, UNFIRED	D4	D5	NOX: MAJOR SOURCE	(See Facility Permit for details)	A63.1, A63.2, A327.1, E17.1, E51.1 E 313 E315
HEATER, 21,780 LB/HR, UNFIRED					

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Change of Condition to Non-operational Status of: Co-Generation Facility Consisting Of:

System 2: Cogeneration System 2
 D4 - Gas Turbine # 2, Detroit Diesel, Model 502-KH, 51.1 MMBTU/hr,
 Natural Gas, With Steam or Water Injection

Generator, 6.054 MW Boiler, Deltak Corportion Waste Heat Recovery, Unfired, 60,000 pounds per hour Heater, 21,780 lbs/hr

- 2. D5 Burner, Natural Gas, 40 MMBtu/hr, Unfired, (Connected to D4, S6)
- 3. S6 Stack, Gas Turbine No. 2(Connected to D5)

D4, [A/N 330845, F9926] D5, S6 [A/N 330845, F9926]

BACKGROUND:

This facility has two identical gas turbines and they are used as part of a cogeneration system. Each turbine is considered as a Major NOx source and the facility is part of Title V.

The primary purpose for operating is to provide steam and electricity to an adjacent Sunkist processing plant, with additional electricity being sold Southern California Edison. Since early December, 2007, the facility has not operated due to the shutdown of the Sunkist facility. Without Sunkist as a steam purchaser, or a "staem host", Black Hills Ontario as a "Qualifying Facility" is not permitted to operate under the Federal Energy Regulatory Commission regulations.

According to the applicant, it is highly unlikely that Black Hills Ontario cogeneration facility will ever operate again. However, at this time, Black Hills will like to retain its Facility Permit-to-Operate capability. The applicant is thus requesting the redesignation of the two gas turbine units as "Non-Operated Major

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NOx sources. This application applies to A/N 480125, D4, Gas Turbine # 2, previous application 330845.

If the redesignation is granted, the turbines are rendered inoperable and it will be no longer necessary to operate and maintain the two dedicated CEMS.

The following are the application as a package that will be processed:

Application	Description	Remarks
480125	Non-Operated Major	Gas Turbine #2, D4
:	NOx Source	Previous application 330845, F9926
	application	
480126	Non-Operated Major NOx	Gas Turbine #1, D1
	Source application	Previous application 330846, F9927
480127	Title V revision application	Revision/modification application for the
		Title V permit.

RECOMMENDATION:

Two conditions (313 and 315) were added to the Facility Permit to reflect this non-operational status that will apply to devices D1 and **D4** and the conditions tagged with **Rule 2012**, **12-7-1995**; Rule 2012, 4-9-1999.

1. Condition 313:

This device is classified as a non-operated major NOx source as defined under Rule 2012 and shall not be operated unless the Facility Permit holder provides written notification to the Executive Officer 30 days prior to starting operation. In order to maintain the non-operational classification, the Facility Permit holder shall:

(a) Remove a section of the fuel feed line(s) to the device and place a blind flange on both ends of the fuel feed line(s); and

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(b) Remove the steam line(s) to California Milk Producers facility and place a blind flange on both ends of the steam line(s).

Removal of parts or components solely to qualify the device for non-operated classification pursuant to this condition, or replacement of the same removed parts or components resulting in the device no longer being classified as non-operated shall not be deemed to affect the potential to emit within the meanings of Rule 2005, Regulation XIII and Regulation XXX.

2. Condition 315:

Once this device is operated, it shall no longer be classified as non-operational. This device shall also meet the monitoring requirements of Rule 2012, subparagraph (c)(2)(A) or (c)(2)(B) no later than 30 calendar days after the start of operation except as provided in Rule 2012, paragraph (c)(10).